



**THE BOARD OF DIRECTORS OF BIALETTI INDUSTRIE S.p.A.
HAS APPROVED THE CONSOLIDATED RESULTS AT 30TH SEPTEMBER 2007**

EXCELLENT GROWTH ACHIEVED: TURNOVER +8.3% - EBITDA +23.3% - EBIT +48.8%

- Consolidated revenues total 147.42 million Euro, increasing by 8.3% compared to the first three quarters of 2006 (136.06 million Euro)
- EBITDA totals 17.35 million Euro, increasing by 23.3% compared to the first three quarters of 2006 (14.07 million Euro)
- EBIT totals 9.60 million Euro, increasing by 48.8% compared to the first three quarters of 2006 (6.45 million Euro)
- Consolidated net profit for the first three quarters of 2007 has improved greatly, reaching 2.43 million Euro (loss of 2.55 million Euro in the same period of 2006)
- Net borrowings are equal to 77.14 million Euro compared to 95.43 million Euro at the 30th June 2007

**APPROVED THE ESTABLISHMENT OF A COMPANY WITH HEADQUARTERS IN
HONG KONG**

**ACCELERATION IN THE IMPLEMENTATION OF THE RETAIL PROJECT: THREE
BIALETTI SPECIALISED SINGLE-BRAND STORES OPENED**

Coccaglio – 14th November 2007 – The Board of Directors of Bialetti Industrie S.p.A. (Milan, MTA: BIA), chaired by the Chairman, Francesco Ranzoni, has today approved the consolidated results at 30th September 2007.

Economic/financial results

Consolidated revenues for the first three quarters of 2007 confirm the positive trend in sales, which total 147.42 million Euro, showing a growth of 8.3% compared to the same period in 2006 (136.06 million Euro). In particular, the “houseware” segment (86.9% of total sales) which comprises cookware and coffee makers (non-electric), has shown a growth of 3.1% compared to the same period of 2006; excellent results were achieved in the “PED” segment (small electrical appliances), which went from 11.7 million Euro at the end of the third quarter 2006 to 19.3 million Euro at 30th September 2007 - thanks mainly to the launch of new products and the Group’s penetration into new markets.

Group revenues achieved abroad equalled 43.1% of the total and was realised mainly in the Euro zone.

Profitability indicators highlight:

- **Consolidated Operating Gross Result (EBITDA) of 17.35 million Euro with a growth of 23.3% compared to the first nine months of 2006** (14.07 million Euro).



- **A Consolidated Operating Result (EBIT)** of 9.60 million Euro showing a growth of 48.8% compared to the first nine months of 2006 (6.45 million Euro). The growth in profit margins is the first result of the subsidiaries Cem Bialetti and Girmi reorganised and becoming fully operational.
- **Consolidated net profit**, amounting to 2.43 million Euro, has improved significantly with respect to the same period of the previous year (loss of 2.55 million Euro).

At 30th September 2007, the **Group's net borrowings** amounted to 77.14 million Euro compared to 92.53 million Euro at the 31st December 2006 and to 95.43 million Euro at 30th June 2007.

At the end of the third quarter 2007, the Group's **investments amounted to 9.77 million Euro**. Investments for the full year 2006 amounted to 12.20 million Euro.

Expected developments in business management and significant facts arising after the closure of the financial period

The “Retail” project was launched during the third quarter 2007 with the **opening of single-brand retail stores in Pescara, Perugia and Parma**. Within the end of the year new stores will also be opened in Brescia, Bari, Milan, Florence and Turin.

With regards to the Group’s internationalisation project, **today the Board resolved to establish the company “Bialetti (Hong Kong) Ltd” in the special administration region of Hong Kong**. The objective is for the Group to be directly present in Asian markets in order to cover potential markets for the launch of its products and also monitor more effectively purchases in this area.

The **re-focus on the Girmi brand and the related production activities with a view towards innovation, quality and design is the main activity carried out in the third quarter 2007**. The new Girmi product range now includes small electrical appliances that satisfy customer needs to even greater extents thanks to their design, reliability and excellent price/quality ratio.

Based on the first three quarters results, the existing business relations and the initiatives underway should foresee **good performance levels for the group even in the last quarter of the year**, taking into account the unfavourable Euro/Dollar exchange rate.

“The excellent results achieved – commented Alberto Piantoni, the Managing Director of Bialetti Industrie S.p.A. - lead us to confidently expect this trend to continue for the full year 2007.

Without neglecting profitability, the management is currently committed to important internationalisation projects and to the “retail Project” in the Italian market and abroad. The Group is also focusing on the launch of new products in both the Houseware and small electrical appliances segments. We firmly believe in the pursuit of our growth strategy, which is founded not only on constant research and innovation but also on the group's philosophy of high focus on social and environmental matters.

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The first three quarter 2007 results will be illustrated to investors and analysts tomorrow - Thursday 15th November - during a conference call at 17.00hrs (Italian time).



The presentation will be made available on the website www.bialettiindustrie.it - Investor Relations section.

Bialetti Industrie S.p.A. is one of Italy's leading industries and a key operator in international markets. Its brand is acknowledged as a synonym of "made in Italy products of quality". The Group is the owner of brands of long-standing tradition and fame like Bialetti, Rondine, Girmi, Aeternum and CEM. Through its two strategic divisions, the Group is active in the production and sale of "Houseware" (cookware, non-electric coffee makers and kitchen accessories) and "PED" (small electrical appliances, including electric coffee makers), which it distributes through mass retail chains and retail stores. Over the years Bialetti Industrie has distinguished itself for its highly innovative and quality products and also for the use of new materials and technologies. Its manufacturing plants are located in Italy - in the provinces of Brescia (Coccaglio) and Verbania (Omegna) and also in Turkey and Rumania. The level of excellence achieved is the result of the Group's ability to associate its products with values of tradition, quality, durability over time, design and safety, in line with its strategy of social and environmental responsibility, which perfectly symbolises the Group's philosophy: "more value in day to day life"

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This press release includes a series of alternative performance indicators of which the purpose is to better illustrate the trend of Bialetti Industrie's economic and financial results. Such indicators do not substitute the conventional indicators required under IFRS.

In particular, the alternative indicator used is the EBITDA (gross operating margin), which is calculated by summing amortisation and gains and losses on derivative instruments to the EBIT result.

The executive in charge of preparing the accounts - Mrs. Luisa Spadari – declares that, pursuant to the second subsection of article 154 bis of the Finance Consolidation Act, the financial information contained in this press release is consistent with documented results and with accounting books and entries.



Consolidated balance sheet at 30th September 2007

(€'000)	As at 30 September 2007	As at 31 December 2006
ASSETS		
Non current assets		
Tangible fixed assets	29.538	27.153
Intangible fixed assets	26.445	25.919
Equity investments in associates	-	-
Receivables for deferred tax assets	6.799	5.838
Receivables and other non current assets	274	2.706
Total non current assets	63.056	61.616
Current assets		
Inventories	62.141	43.281
Trade receivables	65.424	73.319
Financial assets available for sale	3.515	4.531
Tax receivables	3.205	1.733
Receivables and other current assets	2.507	4.357
Cash and cash equivalents	2.712	4.865
Total current assets	139.504	132.086
TOTAL ASSETS	202.560	193.702
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	18.750	15.000
Reserves	31.477	581
Retained earnings	2.710	177
Group shareholders' equity	52.937	15.758
Minority interests	-	-
Total shareholders' equity	52.937	15.758
Non current liabilities		
Payables and other financial liabilities	20.181	19.849
Employee benefits	5.597	7.340
Provisions for risks	441	362
Payables for deferred tax liabilities	4.166	3.060
Other liabilities	3.605	7.142
Total non current liabilities	33.990	37.753
Current liabilities		
Payables and other financial liabilities	63.190	82.078
Trade payables	42.170	44.589
Tax payables	1.967	4.032
Provisions for risks	163	163
Other liabilities	8.143	9.329
Total current liabilities	115.633	140.191
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	202.560	193.702



Cash flow statement at 30th September 2007

(€/000)	Period as at 30 September	
	2007	2006
Net profit before taxes	4.868	17
Amortisation/depreciation	6.863	4.987
Allocation to bad debt provision	-	1.114
Allocation to provisions for risks	-	-
(Capital gains)/capital losses on disposals of tangible fixed assets	(121)	(62)
Gains / (Losses) on derivative instruments	839	(298)
Interest income and dividends on financial assets available for sale	(35)	(109)
Net financial charges	4.888	6.827
Allocation to staff severance indemnity	311	513
Change in inventories	(18.860)	(6.072)
Change in trade receivables	7.897	(3.875)
Change in receivables and other current assets	1.850	543
Change in other assets and tax assets	(1)	1.874
Change in trade payables	(2.419)	16.026
Change in deferred tax payables	(1.158)	(940)
Change in other liabilities	(4.723)	7.032
Change in tied cash	911	(512)
Interest paid	(4.888)	(6.827)
Income taxes paid	(2.138)	(786)
Payments/advances and other changes in staff severance indemnity	(2.054)	(950)
Change for payments of provisions for risks	79	195
Net cash flow generated by operating activity	(7.891)	18.697
Investments in tangible fixed assets	(7.160)	(2.172)
Divestiture of tangible fixed assets	628	826
Change in equity for IPO	34.646	-
Investments in subsidiaries, net of acquired cash	-	(5.845)
Investments in intangible fixed assets	(3.121)	(609)
Purchases of financial assets available for sale	1.051	99
Realised gains on derivative instruments	(839)	298
Net cash flow absorbed by investment activity	25.205	(7.403)
Raising of new loans	87.216	69.754
Repayments of loans	(105.772)	(80.009)
Payment of dividends	-	(2.000)
Net cash flow absorbed by financial activity	(18.556)	(12.255)
Total cash flow generated/(absorbed) in the period	(1.242)	(961)
Opening untied cash	2.430	2.127
Closing untied cash	1.188	1.166